## REMARKS

Claim 1 was rejected under 35 U.S.C. 103(a) as being unpatentable over Glauning in view of Staub and in further view of Halimi. Applicant believes that claim 1 as amended is now patentable. Applicant believes that Glauning in view of Staub and in further view of Halimi does not show the features of Applicant's invention. This is because none of the prior art teaches Applicant's invention of a generator which directs airflow axially through a shaft with permanent magnets around the shaft which then directs the air through a space between the stator housing and the generator housing which cools the generator without the air entering the interior of the generator.

Regarding claim 1: Examiner has stated that Glauning does not teach a cylindrical aluminum sleeve mounted inside the hollow shaft and the shaft carrying permanent magnets which interact with stator winding as is disclosed in Applicant's invention. Applicant agrees. Glauning does teach to cool the device by drawing air between the space between said housings and the generator housing (stator housing 40 and generator housing 36). However, neither Glauning, nor Staub nor Halimi disclose a cooling system in which the cooling air does not transverse and flow into the interior of the generator.

Instead, Glauning teaches to draw cool air into the electrical machine (Fig. 1) and then directs the air through the space (cooling passage 38) between said housings (the stator housing 40, and generator housing 36) within the interior of the machine.

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Staub and Halimi do not show a space between the generator housings and stator housings in which circulated air is drawn in axially and then directed through a space between the generator and stator housings. Thus, applicant respectively believes that claim 1 is patentably distinct since the prior art does not show the features of claim 1.

Examiner has also rejected claims 5 and 7-9 under 35 U.S.C. 103(a) as being unpatentable over the combination of Glauning, Staub and Halimi as applied to claim 1 above and in further view of Nilson. Applicant believes the claims as presented are patentable. Please see the response to claim 1 above for a response to the Glauning, Staub and Halimi references.

Applicant's disclosure. Specifically, Applicant believes that Nilson teaches away from the use of retention rings that mount permanent magnets on a shaft, said retention rings being fitted around said shaft and threadably connected to said shaft with the edges of the magnets stepped down or notched and the interior edges of the retention rings having an overlapping portion that is configured for placement in the notched area of the magnets.

Instead, Nilson teaches an invention focused on axial pretension of the brittle magnetic discs. Specifically, Nilson teaches a plurality of <u>magnetic discs stacked</u> on a shaft and axially restrained by a nut on the end of the shaft. The radial retention is provided by a hole in the center of the magnet disc where it slips over the shaft. Thus, Nilson teaches away from Applicant's invention because because Nilson focuses on the use of stacked discs on a shaft to provide a

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pretensioned force, in contrast to Applicant's invention whose magnets merely sit on the shaft

and rely on the retention rings for restraint.

It is believed that the claims, as set forth above, comply fully with the Examiner's

comments and favorable action in the form of a Notice of Allowance is respectfully urged.

Should the Examiner find that any matters remain for resolution, he is respectfully requested to

contact the undersigned by telephone at (206) 441-3440.

Respectfully submitted,

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